



NCUA
National Credit Union Administration

Eugene H. Schied, CFO

Office of the Chief Financial Officer

NCUSIF Financial Statistics

For the Quarter Ended
September 30, 2023

NCUSIF Revenue and Expense

September 30, 2023

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended September 30, 2023	Year-to-Date September 30, 2023
Gross Income:		
Investment Income	\$113.3	\$305.5
Other Income	0.1	0.2
Total Income	\$113.4	\$305.7
Less Expenses:		
Operating Expenses	\$59.2	\$174.2
Provision for Insurance Losses:		
Reserve Expense	9.7	29.7
Consumer Credit Union AME Loss Expense (Reduction)	(0.2)	(1.4)
Corporate AME Loss Expense (Reduction)	(14.3)	(34.8)
Total Expenses	\$54.4	\$167.7
Net Income (Loss)	\$59.0	\$138.0

NCUSIF Summary Balance Sheets

September 30, 2023

PRELIMINARY & UNAUDITED (In Millions)	September 30, 2023	June 30, 2023
Assets		
Fund Balance with Treasury and Investments	\$20,328.7	\$20,329.6
Capitalization Deposits Receivable	475.5	0.0
Receivable from Consumer Credit Union Asset Management Estates, Net	1.1	1.5
Receivable from Corporate Asset Management Estates, Net	70.6	72.8
Accrued Interest and Other Assets	120.0	117.5
Total Assets	\$20,995.9	\$20,521.4
Liabilities and Net Position		
Accounts Payable and Other Liabilities	\$125.8	\$2.6
Insurance and Guarantee Program Liabilities	214.3	204.1
Net Position – Cumulative Results of Operations	3,430.1	3,456.2
Net Position – Capitalization Deposits	17,225.7	16,858.5
Total Liabilities and Net Position	\$20,995.9	\$20,521.4

NCUSIF - Insurance and Guarantee Program Liabilities

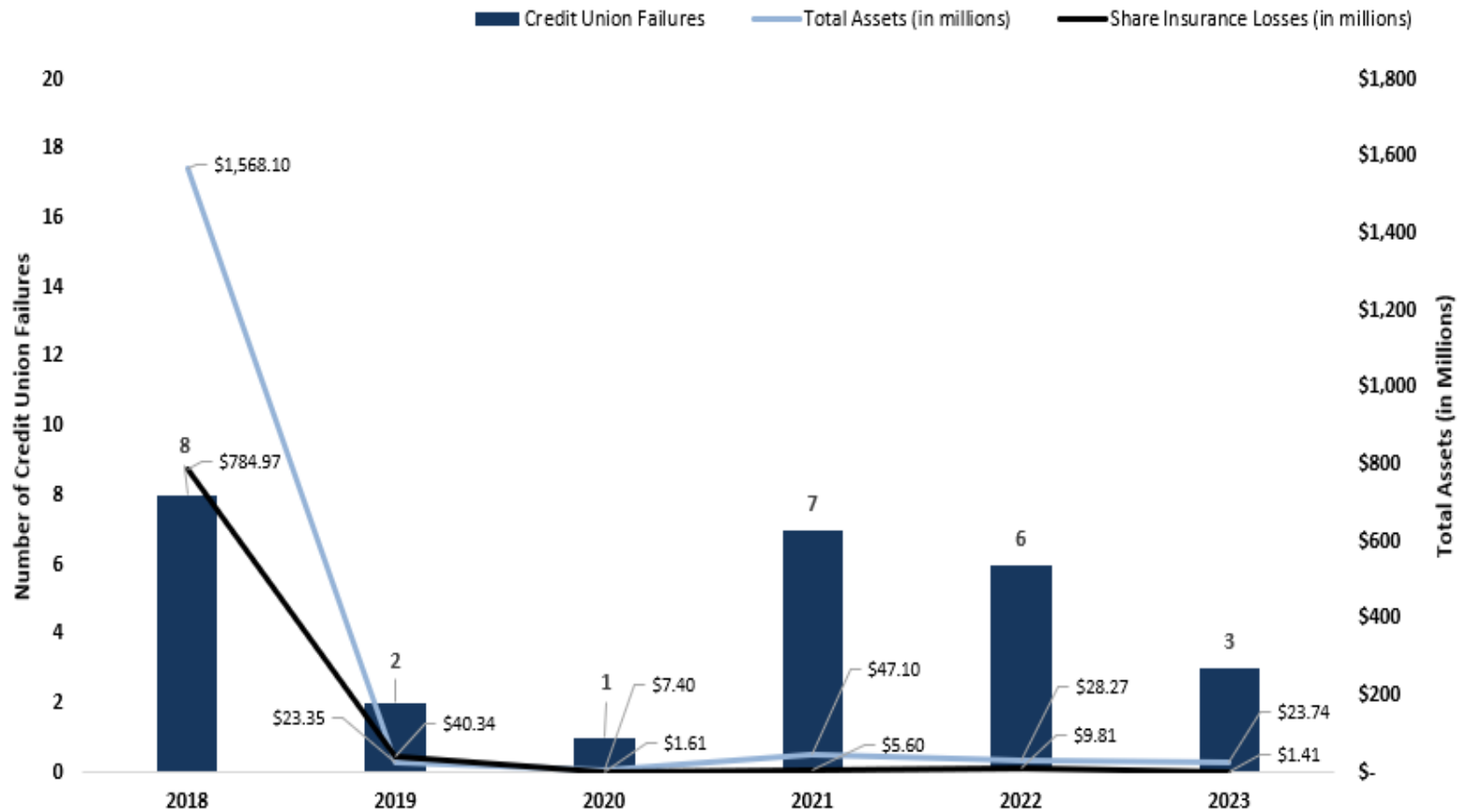
September 30, 2023

PRELIMINARY & UNAUDITED (In Millions)	Quarter Ended September 30, 2023	Year-To-Date September 30, 2023
Beginning Reserve Balance:	\$ 204.1	\$ 185.2
Reserve Expense	9.7	29.7
Charges for Assisted Mergers	-	(1.2)
Charges for Liquidations	0.5	0.6
Ending Reserve Balance	\$214.3	\$214.3

* This table shows only Consumer Credit Union Insurance and Program Guarantee Liabilities.

Number of Credit Union Failures Incurring a Loss to the Share Insurance Fund

CY2018 – CY2023



NCUSIF Portfolio

September 30, 2023

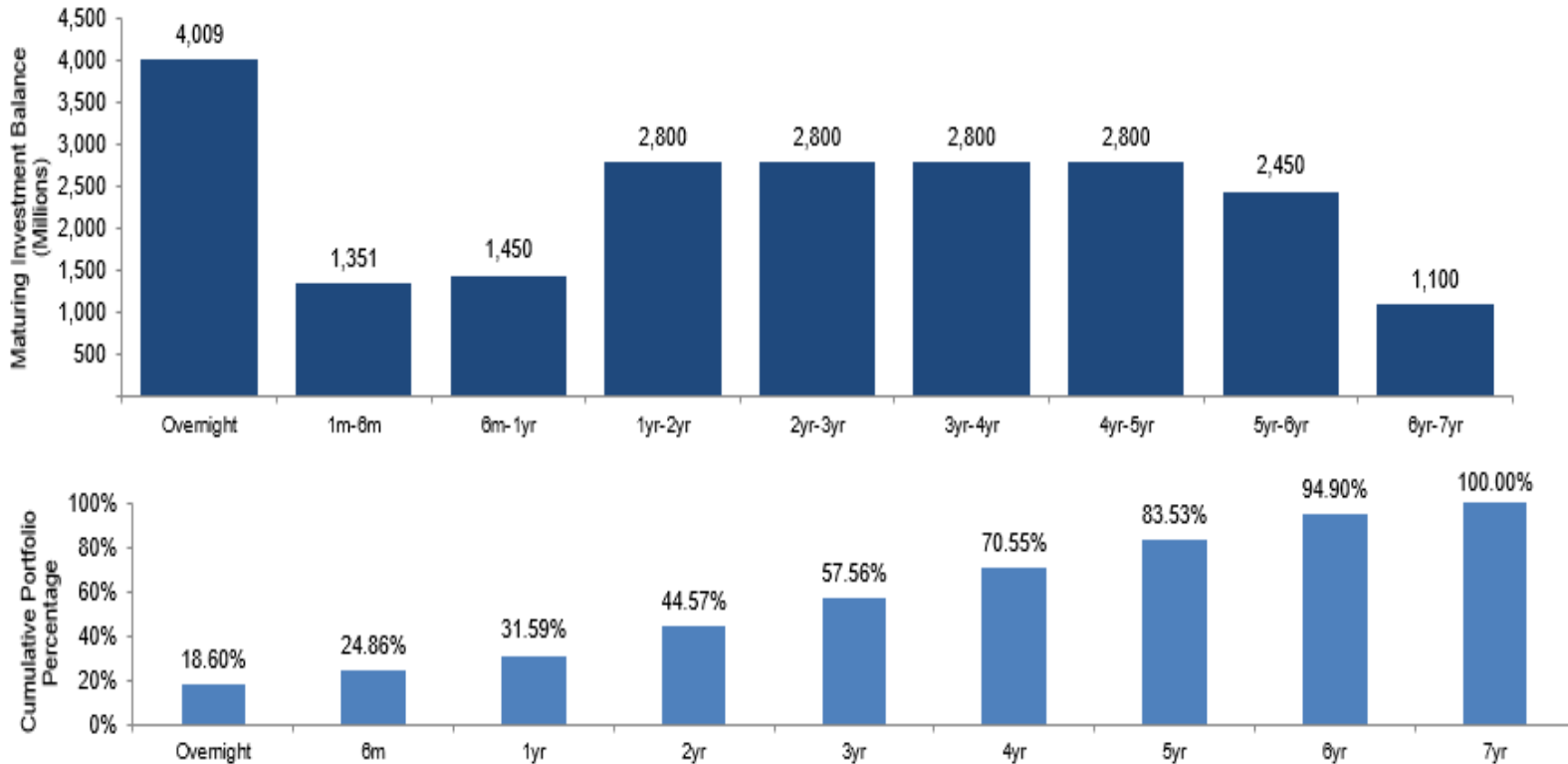
Investment Balance at Par: \$21.6 Billion

Weighted Average Life:

2.6 years

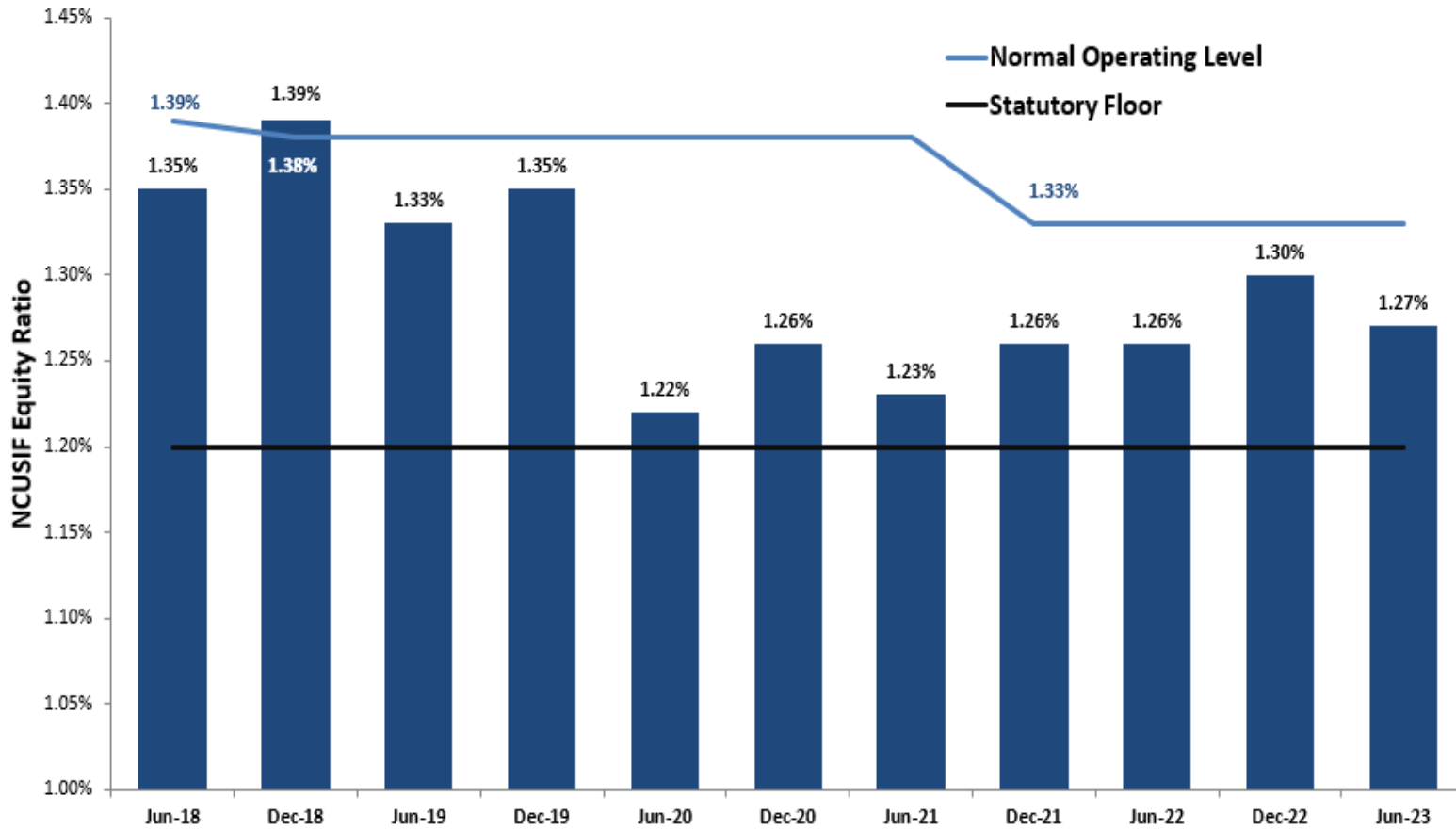
Weighted Average Yield:

2.13%



NCUSIF Equity Ratio

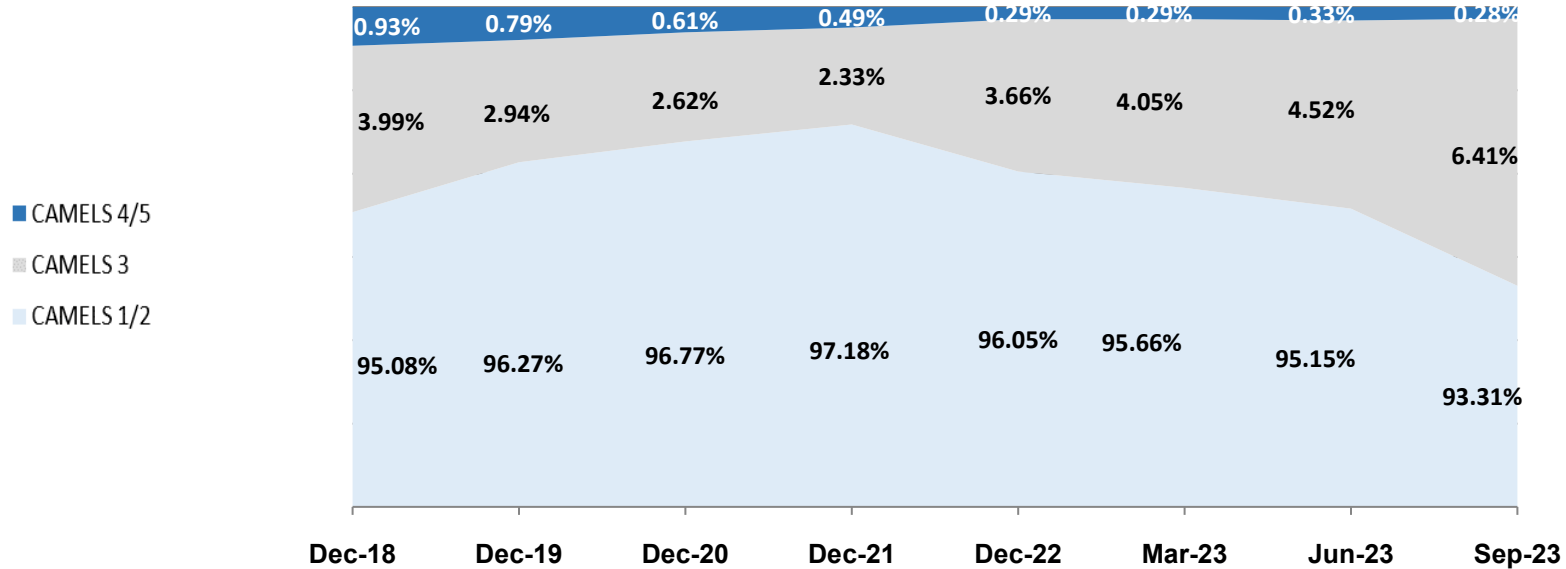
CY2018 – CY2023



Percentage of Insured Shares and Total Number of CUs by CAMELS Code

CY2018 – Q3 CY2023

Percentage of Insured Shares by CAMELS Rating*



Number of CUs

CAMELS 4/5	193	190	159	129	122	127	134	131
CAMELS 3	940	838	748	752	769	779	771	777
CAMELS 1/2	4,266	4,220	4,209	4,072	3,889	3,815	3,784	3,751
TOTAL	5,399	5,248	5,116	4,953	4,780	4,721	4,689	4,659

*Areas are not to scale.

CAMELS Code Comparison by Asset Size

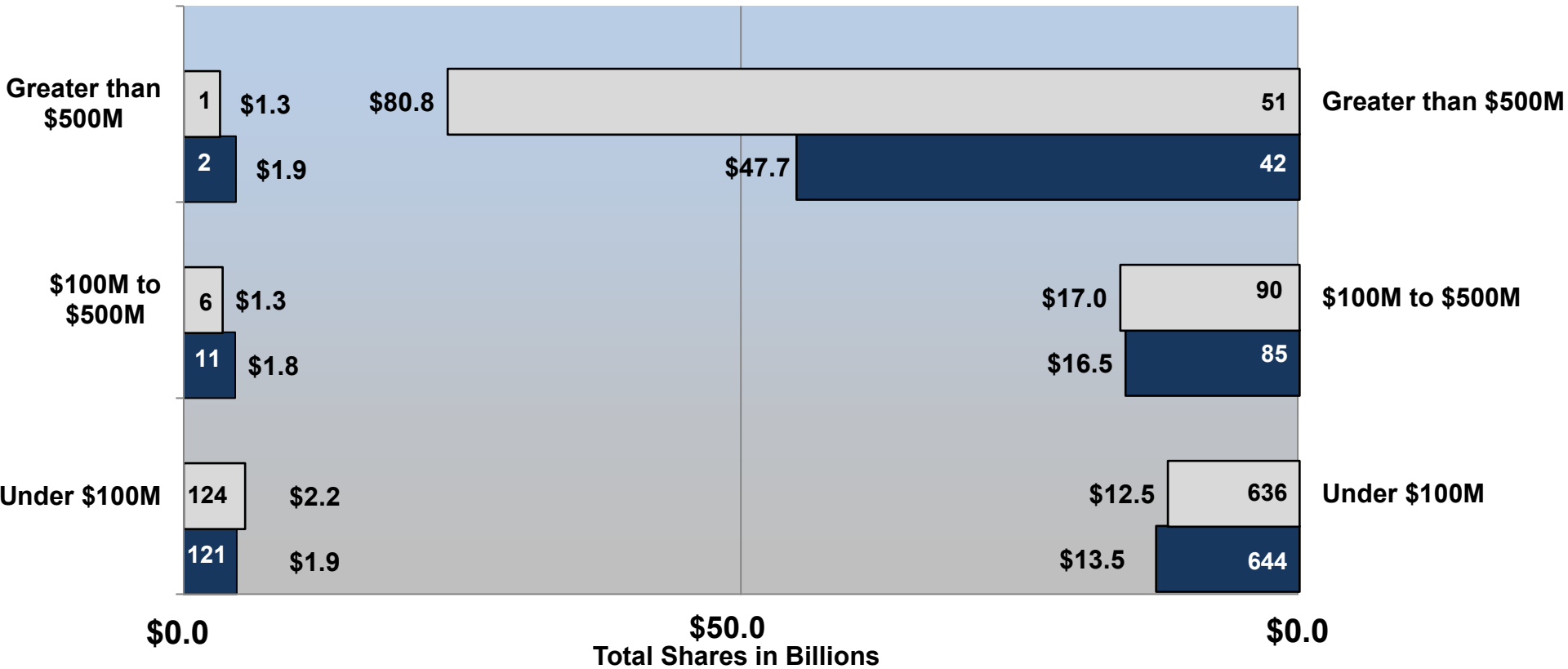
Credit Union Size
By Total Assets

CAMELS Code 4/5

□ Sep-23 ■ Jun-23

CAMELS Code 3

Credit Union Size
By Total Assets



In Billions	CAMELS 4/5		In Billions	CAMELS 3	
	Jun-23	Sep-23		Jun-23	Sep-23
Total Shares	\$5.6	\$4.8	Total Shares	\$77.7	\$110.3
Total Assets	\$6.3	\$5.4	Total Assets	\$91.0	\$131.7

Office Contact Page

Feel free to contact our office with questions or comments.

Primary Staff: Eugene H. Schied, CFO
eschied@ncua.gov

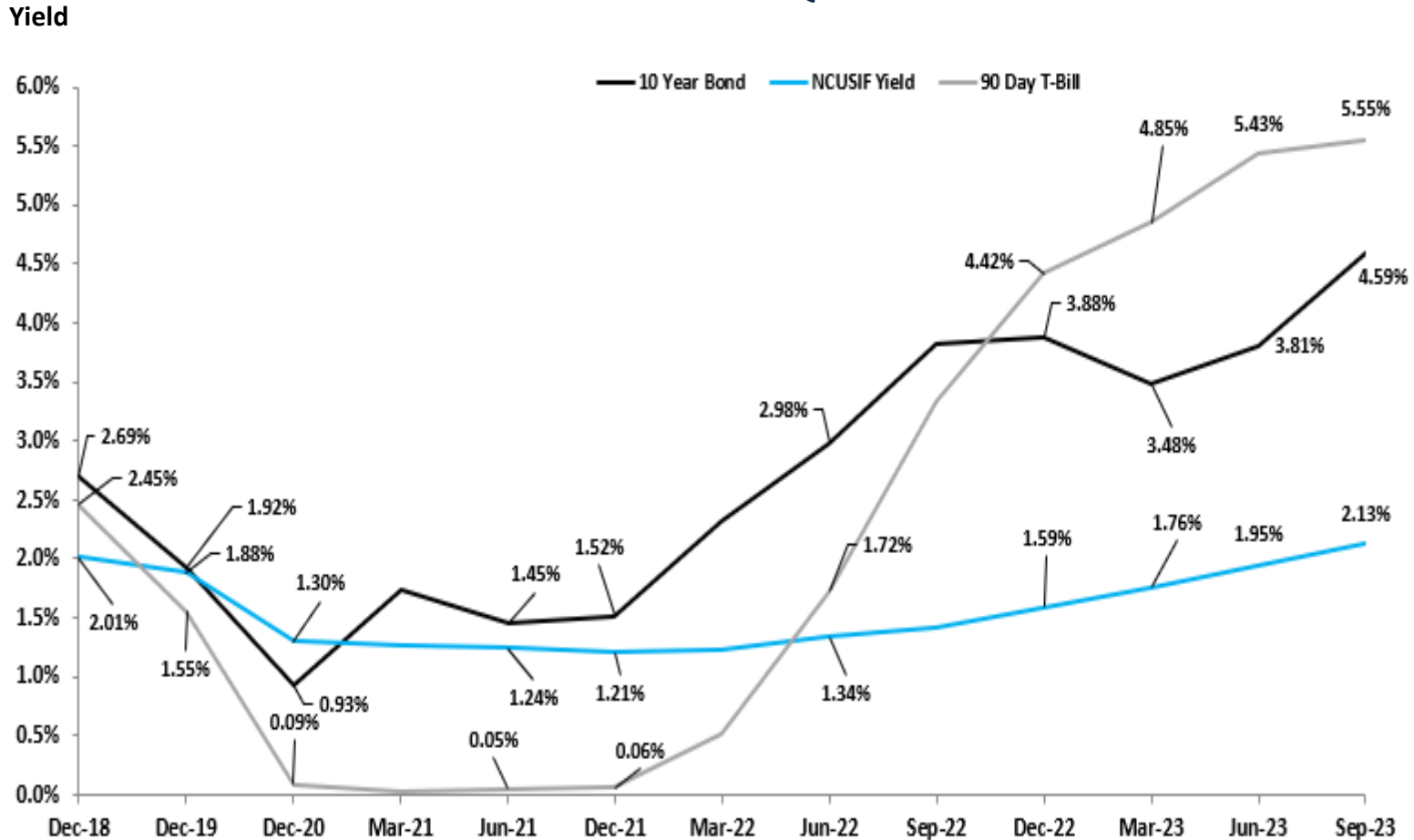
Office Phone: 703-518-6570



SUPPLEMENTAL INFORMATION

Yield Comparisons

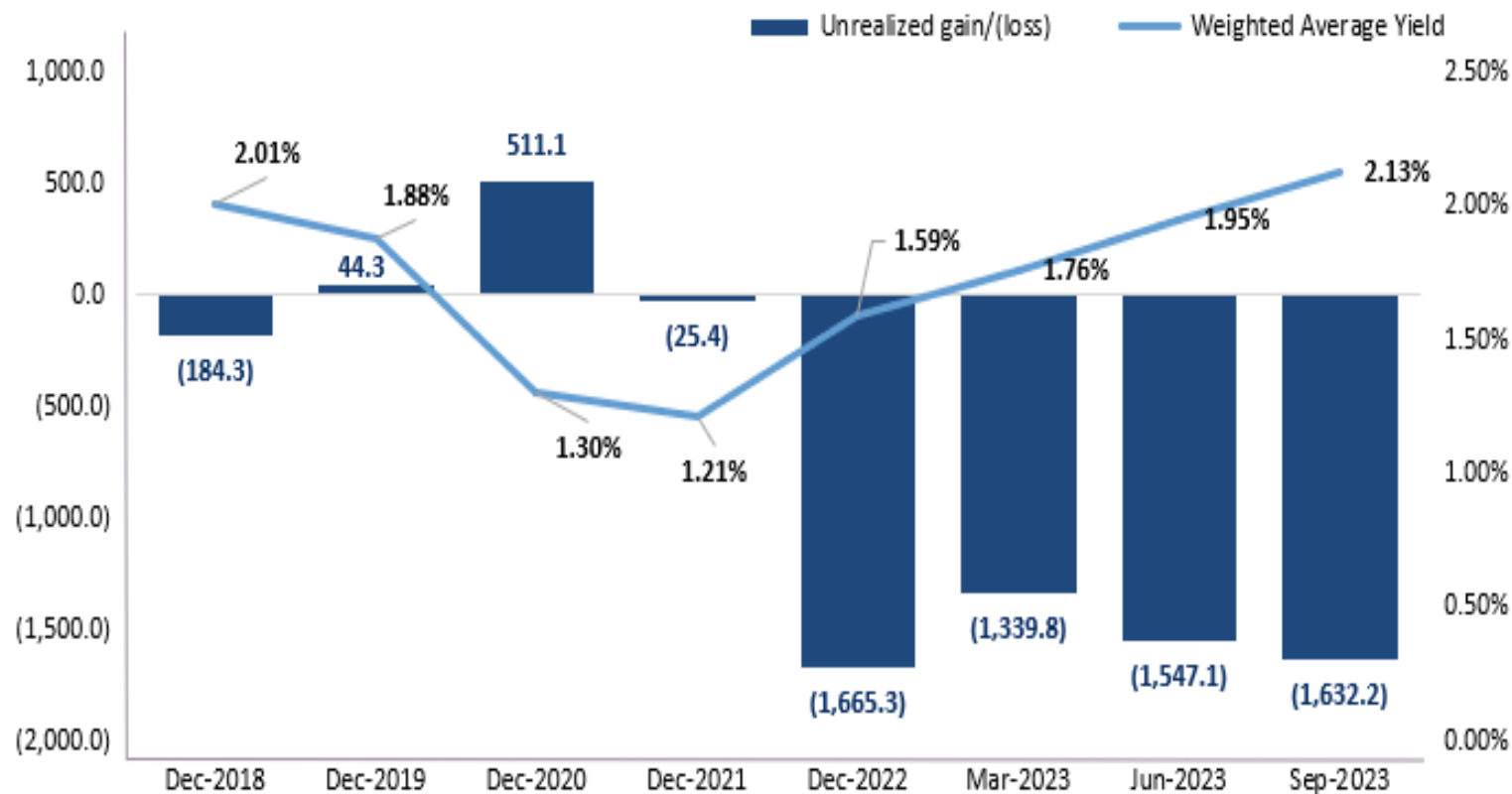
CY 2018 – Q3 CY2023



Portfolio Unrealized Gain/(Loss)

CY2018 – Q3 CY2023

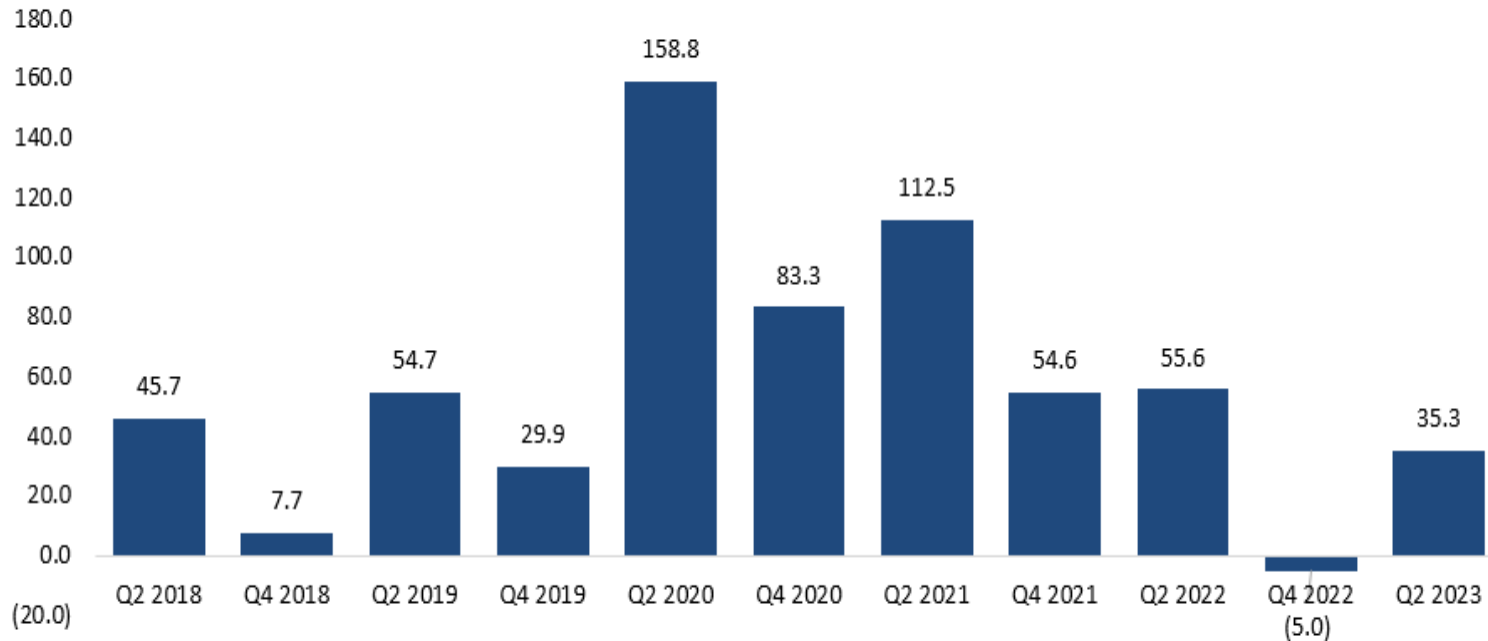
Unrealized Gain/ (Loss) on Investments (in millions)



Change in Insured Shares

CY2018 – CY2023

Change in Insured Shares (in billions)



	2018	2019	2020	2021	2022	Q2 2023
Total	1,141B	1,226B	1,468B	1,635B	1,685B	1,721B

Quarterly Portfolio Activity

September 30, 2023

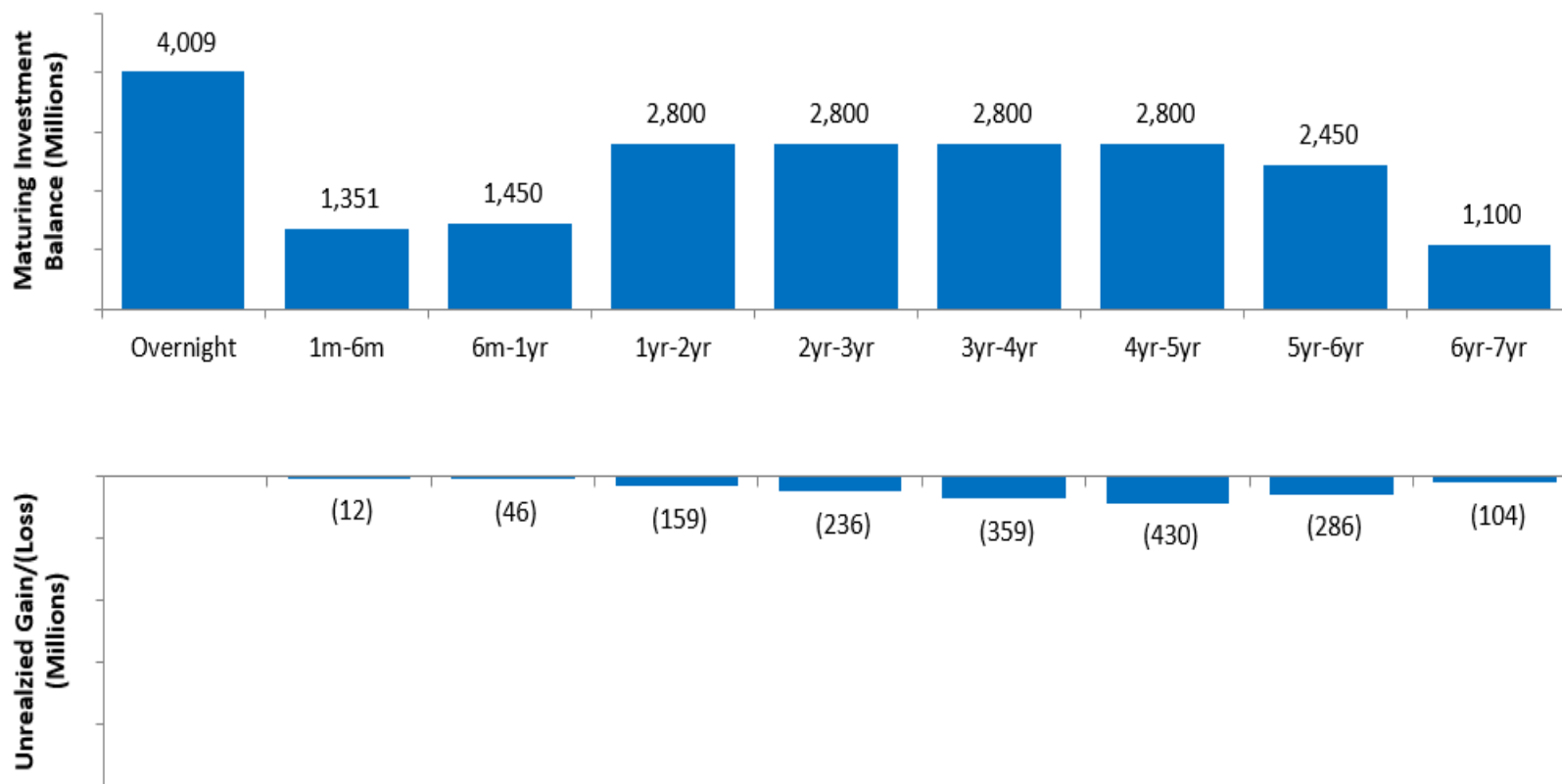
I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)						
	Book Value	Market Value	Unrealized Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 4,009,274,000	\$ 4,009,274,000	\$ -	100.00%	5.40%	
U.S. Treasury Notes	17,925,757,382	16,293,560,559	(1,632,196,823)	90.89%	1.40%	
Total	\$ 21,935,031,382	\$ 20,302,834,559	\$ (1,632,196,823)	92.56%	2.13%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	2.12%	2.13%	1.89%			
Investment Income	\$ 38,283,185	\$ 38,339,464	\$ 305,460,552			
Weighted Avg. Maturity in Days / (Years)	964 (2.64)	938 (2.57)				
III. QUARTERLY ACTIVITY FOR T-NOTES						
Purchased	Amount	Maturity	Yield			
None						
Maturity	Amount	Purchased	Yield			
8/15/2023	699,708,510	various	0.15% to 2.21%			

Quarterly Portfolio Activity (continue)

September 30, 2023

IV. MATURITY SCHEDULE (par value in millions)

TOTAL PAR VALUE	\$	21,560	TOTAL UNREALIZED GAIN/(LOSS)	\$	(1,632)
-----------------	----	--------	------------------------------	----	---------



Current Investment Strategy

- Agency performance plan goal for 2023 is to maintain an investment strategy that provides for sufficient funds to meet operating costs and liquidity needs without having to sell investments at a loss or use the agency's borrowing authority.
- Overnight liquidity target set by the Investment Committee is currently at \$4 billion. Once the overnight target is met, the Committee will reconvene on the plan to invest in term investments.

Statutory Authority for Investments

- **Title II §1783(c) of the Federal Credit Union Act addresses investment authorizations for the NCUSIF**
 - Board may authorize the Secretary of the Treasury to invest and reinvest such portions of the fund as the Board may determine are not needed for current operations.
 - Must be in interest-bearing securities of the United States or in any securities guaranteed as to both principal and interest by the United States or in bonds or other obligations which are lawful investments for fiduciary, trust, and public funds of the United States, and the income shall constitute a part of the fund.
- **Only viable option is to invest through FedInvest that allows the NCUSIF to invest in:**
 - The required method for Federal Program Agencies to submit investment instructions is by using FedInvest. (Treasury Financial Manual, Part II, Section 4335.95)
 - Overnights with the rate indexed off the 4-week Treasury Bill.
 - Government Account Series securities that “mirror” US Treasury securities.
 - NCUA must adhere to U.S. Treasury policies.

Treasury Policies on Investments

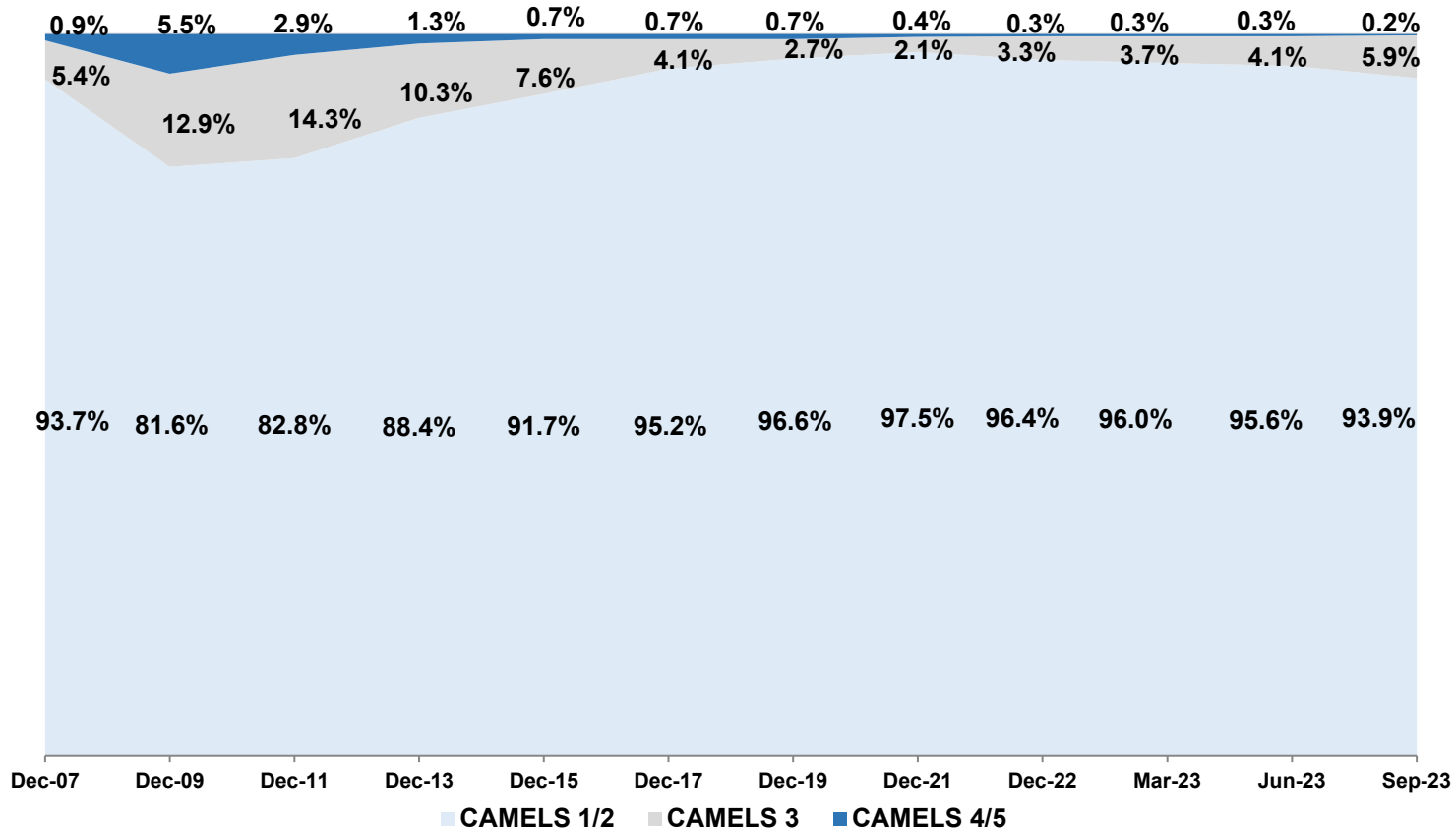
Department of Treasury policies govern investment of monies in Government Investment Accounts, and includes that:

- A Federal Program Agency for a Government Investment Account shall, to the best of its ability, develop its investment strategy to select investments with Maturity Dates that coincide approximately with the Federal Program Agency's disbursement estimates, so that the investments may be bought and held to the Maturity Dates.
- A Federal Program Agency for a Government Investment Account shall not engage in investment practices, including but not limited to security day-trading and large restructuring of investment portfolios, to take advantage of short-term Interest Rate fluctuations or to result in gains and losses.

Source: Treasury Financial Manual, Part II, Section 4335.95

Distribution of Assets in CAMELS Codes

CY2007 – Q3 CY2023 *



*Areas are not to scale.